

**TERMS OF REFERENCE FOR A REMUNERATION COMMITTEE  
OF THE BOARD OF SPECTRIS PLC (the “Company”)**

**1. Role Constitution**

The Remuneration Committee shall be formed under the provisions of Article 119 of the Company’s Articles of Association and shall conduct itself as prescribed therein.

**2. Membership**

- 2.1 The Committee shall comprise at least three members, all of whom shall be independent Non-Executive Directors. The Chairman of the Board may attend Committee meetings but shall not serve as a Committee member. The members of the Committee and its Chairman shall be appointed by the Board, in accordance with the requirements in the UK Corporate Governance Code.
- 2.2 In the absence of the Committee Chairman, the remaining members present shall elect one of themselves to chair the meeting.
- 2.3 The Chairman of the Board shall not participate in discussions relating to his or her remuneration.

**3. Secretary**

The Company Secretary or his or her nominee shall act as the Secretary of the Committee.

**4. Quorum**

The quorum necessary for the transaction of business shall be two. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

**5. Meetings**

- 5.1 The Committee shall meet at least three times a year and otherwise as required.
- 5.2 Only members of the Committee have the right to attend Committee meetings. However, other individuals and external advisers may be invited to attend for all or part of any meeting, as and when appropriate and necessary.
- 5.3 Meetings of the Committee may be conducted when the members are physically present together, or in the form of either audio or video conference, or a combination of mediums.

**TERMS OF REFERENCE FOR A REMUNERATION COMMITTEE  
OF THE BOARD OF SPECTRIS PLC (the “Company”)**

**6. Notice of Meetings**

- 6.1 Meetings of the Committee shall be called by the Secretary of the Committee at the request of the Committee Chairman.
- 6.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed shall be forwarded to each member of the Committee and any other person required to attend no later than five working days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees, as appropriate, at the same time.

**7. Minutes of Meetings**

- 7.1 The Secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance; and
- 7.2 Draft minutes of Committee meetings shall be circulated promptly to the Chairman of the Committee for review and comment. Once approved, the minutes shall be made available to all other members of the Board as appropriate.

**8. Chairman’s Duties**

- 8.1 The Committee Chairman shall attend the Annual General Meeting to answer any shareholder questions on the Committee’s activities.
- 8.2 The Committee Chairman shall engage as required with shareholders on significant remuneration matters and report to the Committee and the Board on shareholders’ views and voting policies on remuneration matters.

**9. Duties**

- 9.1 The Committee will carry out the duties below for Spectris plc and all relevant subsidiary undertakings (the “Group”).
- 9.2 The Committee shall ensure that the Group’s remuneration arrangements:
- 9.2.1 are transparent and promote effective engagement with shareholders and the workforce;
  - 9.2.2 are not unnecessarily complex, and their rationale and operation are easy to understand;
  - 9.2.3 do not reward poor performance and reflect the long-term strategy of the Group; and

**TERMS OF REFERENCE FOR A REMUNERATION COMMITTEE  
OF THE BOARD OF SPECTRIS PLC (the “Company”)**

9.2.4 drive behaviours consistent with the Group’s purpose, culture, values and strategy.

9.3 In support of these objectives, the Committee shall:

9.3.1 agree the Group’s Remuneration Policy, including the remuneration arrangements for the Chairman of the Board, Chief Executive, Executive Directors, Company Secretary and the Executive Management Team. The remuneration of the Non-Executive Directors shall be a matter for the Board. No director or manager shall be involved in any decisions as to their own remuneration;

9.3.2 in agreeing the Group’s Remuneration Policy, take into account all factors which it deems necessary including relevant legal and regulatory requirements, risk and the long-term sustainable success of the Group;

9.3.3 review and take into account workforce remuneration and related policies and the alignment of incentives and rewards with the Group’s culture and use independent judgement and discretion to determine outcomes under the Policy, taking account of company and individual performance, and wider circumstances;

9.3.4 approve the design of, and determine targets for, any performance related bonus schemes operated by the Group for the Executive Management Team and approve the total annual payments made under such schemes;

9.3.5 review the design of all share incentive plans prior to consideration by the Board and shareholders. For any such plans, the Committee shall determine each year whether awards will be made, and if so, the overall amount of such awards, the individual awards to the Chief Executive, the Executive Directors, the Company Secretary and the Executive Management Team and the performance targets to be used;

9.3.6 determine the Group’s formal policy for post-employment shareholding requirements encompassing vested and unvested shares;

9.3.7 determine the policy for, and scope of, pension arrangements for the Chief Executive, the Executive Directors, the Company Secretary and the Executive Management Team;

9.3.8 ensure that contractual terms on termination for the Chief Executive, the Executive Directors, the Company Secretary and the Executive Management Team, and any payments made, are fair to the individual

## **TERMS OF REFERENCE FOR A REMUNERATION COMMITTEE OF THE BOARD OF SPECTRIS PLC (the “Company”)**

and the Group, that failure is not rewarded and that the duty to mitigate loss is fully recognised;

9.3.9 oversee any major changes in employee benefits structures throughout the Group;

9.3.10 review annually the gender pay gap within the Group in the UK and consider the measures in place to support closing any gap; and

9.3.11 agree the policy for authorising claims for expenses from the Chairman of the Board and Chief Executive.

### **10. Use of External Consultants**

10.1 The Committee shall be authorised to obtain reliable, up-to-date information about the external market environment. To help it fulfil its obligations, the Committee shall have full authority to appoint remuneration consultants and to commission or purchase any reports, surveys or information which it deems necessary, within any budgetary restraints imposed by the Board.

10.2 The Committee is exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee.

### **11. Reporting Responsibilities**

11.1 The Committee Chairman shall, report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities;

11.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed;

11.3 The Committee shall produce a report on the Company's remuneration policy and practices and the work of the Committee to be included in the Company's annual report and ensure each year that it is put to shareholders for approval at the Annual General Meeting;

11.4 The Committee shall review the pay ratio of the Chief Executive relative to average employee pay across the Group in accordance with statutory requirements ahead of public reporting in line with legislative requirements;

11.5 The Committee shall consider annually the issuance of a report on the gender pay gap across the Group in the UK and the measures in place to support closing any gap; and

**TERMS OF REFERENCE FOR A REMUNERATION COMMITTEE  
OF THE BOARD OF SPECTRIS PLC (the “Company”)**

11.6 These Terms of Reference shall be made available on request and published on the Company’s website.

**12. Other Matters**

The Committee shall:

12.1 have access to sufficient resources in order to carry out its duties, including access to the Company Secretary, or his Deputy, for assistance as required;

12.2 be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members;

12.3 give due consideration to laws and regulations, the provisions of the UK Corporate Governance Code and the requirements of the UK Listing Authority’s Listing Rules and Disclosure Guidance and Transparency Rules and any other applicable rules, as appropriate; and

12.4 arrange for periodic reviews of its own performance and its constitution and Terms of Reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

**13. Authority**

The Committee is authorised by the Board to obtain, at the Company’s expense, outside legal or other professional advice on any matters within its Terms of Reference.

Approved by the Board: December 2021